

2008

The corporate social responsibilities in Sri Lankan universities

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Recommended Citation

Tilakasiri, Kamal; McCarthy, Grace; and Glynn, John: The corporate social responsibilities in Sri Lankan universities 2008, 99.
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Abstract

Public sector universities have certain special characteristics compared to other organisations. As Neave and Pergamon (2000, p. xiv) suggest, such universities are generally known for their "knowledge production" and the fact that their activities are substantially funded by the government.

Keywords

sri, lankan, social, corporate, universities, responsibilities

Disciplines

Business

Publication Details

Tilakasiri, K., McCarthy, G. & Glynn, J. (2008). The corporate social responsibilities in Sri Lankan universities. In P. Ranasinghe & N. Suraweera (Eds.), International Conference on Social Sciences, Sri Lanka - 2008 (ICSSL). Theory and Practice of Social Sciences for Human Wellbeing in South Asia (p. 99). Kelaniya: University of Kelaniya, Sri Lanka.

The corporate social responsibility of Sri Lankan universities.

1. Introduction

Public sector universities have certain special characteristics compared to other organisations. As Neave and Pergamon (2000, p. xiv) suggest, such universities are generally known for their “knowledge production” and the fact that their activities are substantially funded by government. Society therefore expects these universities to be able to demonstrate a responsible approach to discharging their responsibilities. Parents, students, employees and the community, all place demands on universities. Neave and Pergamon (p.xiv) state that universities have been granted autonomy and academic freedom by society, permitting universities to operate effectively and efficiently. Because universities make use of public money, society expects something in return. These expectations are in addition to the main services of the universities. If universities fail to live up to this expectation, they are open to criticism. The stakeholders of other organisations also expect something from their organisations. Carroll (1979) classified stakeholders expectations based on the organisation’s responsibilities. According to the University of Ceylon Act, [S29(I), 7 of 1985] a university shall have power to provide for extension services to the general public, including employees and school leavers, in trades and industry and in accordance with any by-law providing for the same. Therefore this clearly indicates that the social activities are an essential part of the role of Sri Lankan universities.

Four responsibilities have been identified as particularly “social responsibilities”. These are economic, legal, ethical and philanthropic otherwise referred to as discretionary (Carroll 1979; Lantos 2001; and Visser 2008). The research problem addressed by this study is what type of social responsibilities can be served by universities, which have many stakeholders. This paper examines the development of the criteria for corporate social responsibility (CSR) for universities, comparing literature about both

corporations and universities in order to understand CSR in Sri Lankan Universities. In Sri Lanka, the main stakeholder of universities is the Sri Lankan government which funds universities through the University Grant Commission. The universities are obliged by law to comply with all relevant rules and regulations in order to obtain continued funding.

This paper begins with a review of the literature related to corporate social responsibility, and then explains the research methodology used to address the research questions, identifies the social responsibility activities conducted by Sri Lankan universities at the present time, and draws conclusions based on the study.

2. Literature Review

In this study, we use constructs developed in relation to developed countries to identify the various social responsibility activities and the benefits of implementing the concept of CSR in universities in Sri Lanka. CSR is a relatively new concept in both the public and private sector in developing countries, although it is well-established in developed countries. Ladd, (1963) described the major objective of corporations as no longer being profit maximisation and argued that stockholders' interests were no longer the primary responsibilities of managers. He further suggested that organisations must respond to the demands of society. According to Fox et al. (2002), the public sector roles of social responsibility are mandating, facilitating, funding, partnering and endorsing, as summarised in Table 1.

Role	Enabling approach	Implementation	Penalty/Reward
Mandating	Command and control" legislation	Regulators and Inspectorates	Legal and fiscal penalties and reward
Facilitating	"Enabling" legislation Funding support	Creating incentives Raising awareness	Capacity building Stimulating markets
Partnering	Combining resources	Stakeholder engagement	Dialogue
Endorsing	Political support		Publicity and praise

Table 1: Public Sector Roles adopted from Fox, T. et al. Corporate Social Responsibility Practice

Even though the concept of CSR has been around since the 1960s, it is not expected that developing countries would adhere to the same ethics, standards, management systems or reports of CSR, according to De George, 1999). Whilst Fernando (2007) has pointed out that formal and informal CSR policies have involved Sri Lankan some organisations for more than 30 years, these activities have been relatively insignificant, and his research did not include Sri Lankan universities. He further points out that public concerns about CSR have only arisen since 2000.

2.1 Definitions of CSR

Traditionally, the objectives of corporations were seen as aiming to maximise shareholders' wealth. Responsibility means that an organisation's executives are held accountable for their various activities (Brummer 1991). A minimal definition of 'social responsibility' is generally related to the corporate choice of not breaking laws and regulations when pursuing shareholders' goals. There is, however, no clear consensus on what is meant by corporate social responsibility, as both its definitions and measurement vary. Nor is there consensus on the limits of CSR. Without clear boundaries, the concept of corporate social responsibility is a "fuzzy" one, according to Lantos (2001, p.595). Naringslivi (2004, cited in Normark 2006) defined CSR as voluntary responsibility, above and beyond the demands of national laws. Vaaland (2008, p.214), however, defines CSR as "the management of stakeholder concern for responsible and irresponsible acts related to environmental, ethical and social phenomena in a way that creates corporate benefit" (p.214). Vaaland's focus put responsibility firmly on the stakeholders of the organisation, which is a growing trend.

Adriani and Becchetti show that stakeholders have power to demand their rights and are beginning to do so (cited in Becchetti et al. 2008, p.542). Stakeholders are not only shareholders, but also include employees,

customers, suppliers, creditors, the general public, and, in the case of Sri Lankan universities, the government. The Australian Conservation Foundation identifies the possible stakeholders in a corporation's activities as shown in Table 2 (cited in Broomhall 2007, p.21)

Group	Contributions	Relationship	Corporate obligations
Shareholders	-Financial capital -Assumption of top risk band - Ultimate management	Primary legal (<i>Corps Act</i> and organisational documents); may also be contractual	Dividends and/or increase in capital value consistent with other obligations
Financial investors	-Financial capital -Assumption of risk -Expertise, sometimes	Primarily contractual	Repayment of interest and capital
Directors	Management oversight	Legal and contractual	Compensation
Employees	-Intellectual and physical labour -Experience, initiative, commitment, continuity	Contractual (individual or collectively)	Fair compensation and conditions; respect for human rights; safety; employment security consistent with other obligations
Customers and end consumers	-Intermediate and ultimate demand for products and services	May be direct and contractual, or mediated through retailers; also subject to legal regulation	Duty of care; fair competition and trade practices
Suppliers	-Business inputs	Primarily contractual	Payment for inputs; fair competition and trade practices
Local communities in which company operates	-Local security -Conducive business environment -Social , cultural and environmental amenities- environmental carrying capacity(biodiversity, land, renewable and non-renewable resources, ecosystem services) - Subsidies and other support- Physical infrastructure	Primarily informal and implicit; some local regulation	Compliance with laws, taxation, responsible use of environmental carrying capacity and support for community
State/ national communities in which company operates	As above, plus: -National security -Regulation - Licence to operate - Assumption of residual risk in insolvency	Implicit in licence to operate; legal regulation	Compliance with laws, taxation, responsible use of environmental carrying capacity and support for community
Global Community	-International trade -Environmental carrying capacity (biodiversity, stable climate, etc)	Almost wholly implicit; mediated through national governments	Responsible use of greenhouse and other global environmental carrying capacity; fair trading conditions

Table 2: List of Corporate Stakeholders adopted from Broomhall (2007)

Becchetti (2008) found that stakeholders try to identify corporations' weak points and apply pressure to force demands from the corporations. This pressure induces corporations to signal their social responsibility in order to minimise attrition with stakeholders. This concept is emphasised by Freeman (1984, p.197) who pointed out that, if stakeholders have a voice, the socially responsible behaviour of corporations may be a rational strategy to minimise conflicts and optimize synergies in their complex network of relationships with various stakeholders such as local communities, consumers, environmentalist associations, subcontractors. Stakeholder theory suggests that the environment, animal species and future generations should also be included as stakeholders. Even the general public may be viewed as corporate stakeholders because they are taxpayers (Solomon 2004, p.24). Carroll's (1979) definition of social responsibility has been used as the basis for this study:

"the social responsibility of business encompasses the economic, legal, ethical, and discretionary expectations that society has of organisations at a given point in time".

2.2 Four dimensions of CSR

Corporate stakeholders are similar for every organisation, although organisational objectives vary. The expectations of organisations and stakeholders are different, but their responsibilities are similar. Carroll (1979) categorised four corporate social responsibilities in Europe as economic, legal, ethical and discretionary, as shown in Figure 1.

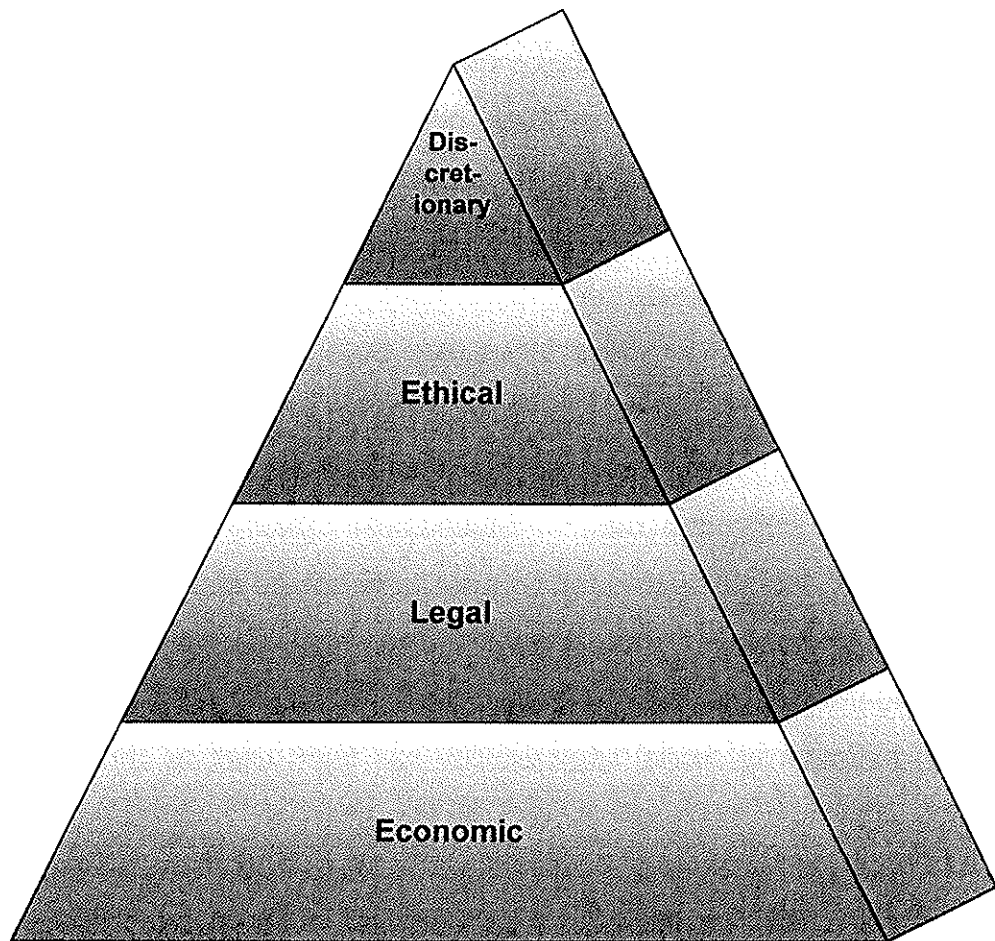


Figure 1 Carroll's Four Dimensions of Corporate Social Responsibility adapted from Carroll (1979)

Although there is no single common definition of CSR, the consensus appears to be that the upper levels of the pyramid of Carroll's four dimensions are gaining in importance (Windsor 2006, p.99). Organisations should ensure that their activities are in accordance with the rules and regulations of the countries in which they operate. Engle (2007) argues that Multi National Corporations should recognise CSR in their host countries, especially in developing countries in Asia and Africa. Engle sees CSR as an opportunity "to promote self-regulation as a substitute for regulation at either national or international level" (Engle 2007, p.18). However, Engle also sees laws as necessary to ensure that multinational corporations live up to their good intentions. Windsor (2006, p.98) has shown that both economic and legal responsibilities are compulsory. Those two responsibilities are undertaken by

every organisation. Ethical and discretionary responsibilities vary according to an organisation's operations, perceptions, and culture.

Visser (2008) argues that Carroll's four part pyramid construct could be a useful way to look at how CSR is manifested in a developing context. His research suggests that the order of the CSR layers in developing countries differs from Carroll's classic pyramid. According to Visser (2008) in developing countries, economic responsibilities still get the most importance. Philanthropy is given second highest priority, followed by legal and then ethical responsibilities as shown in figure 2.

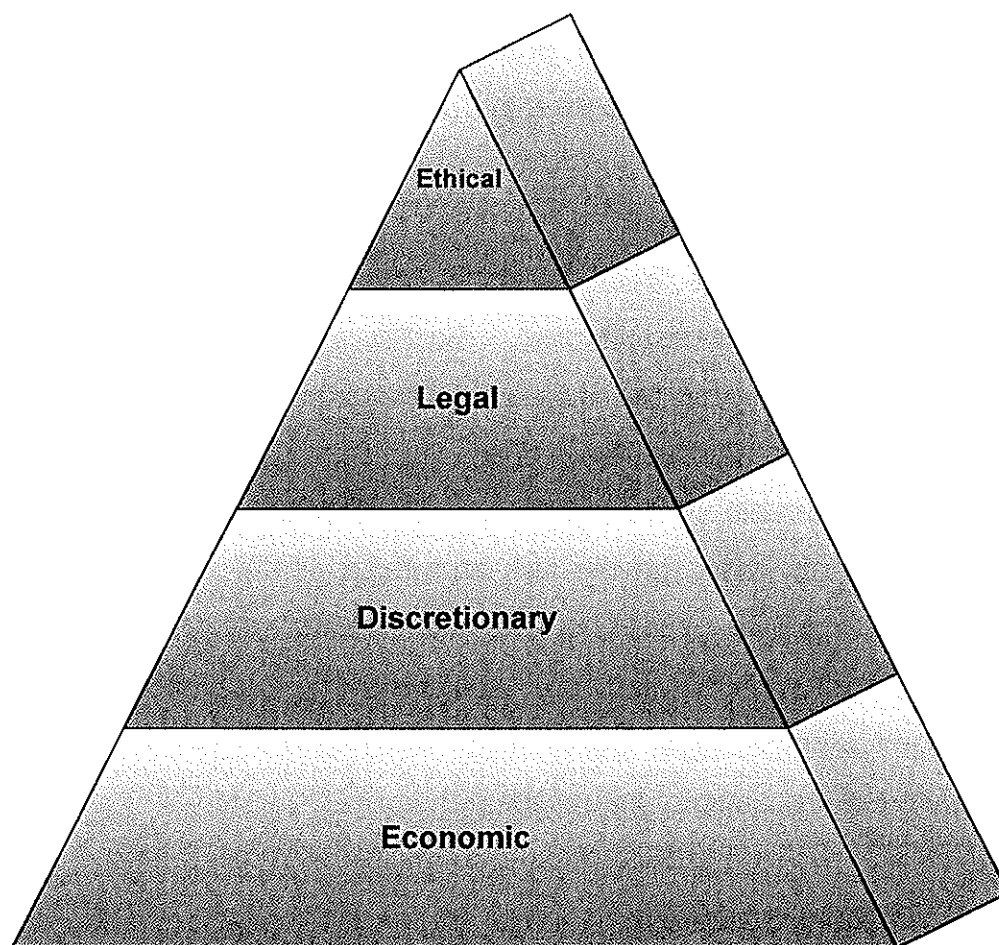


Figure 2 Visser's Pyramid adapted from Visser (2008)

These four responsibilities will be explored in this study of Sri Lankan universities.

- *Economic Responsibility*

Carroll (1979) argued that economic responsibility is "the first and leading social responsibility of the organisation". Lantos (2001) adds "this is to be profitable for principles by delivering a good quality product at a fair price is due to customers". Visser (2008) suggests that European companies and companies in developing countries have a similar attitude to economic responsibility. They all consider that their organisations have a responsibility to produce goods and services that society wants and to sell them at a profit. The notion of economic responsibility, even if not focused on profit generation is equally important for non profit organisations. In the public sector, government agencies are expected to operate within budgetary constraints.

- *Legal Responsibility*

Carroll (1979) defines legal duties as "the laws and regulations which business is expected to operate". Society expects business to fulfil its economic mission within the framework of legal requirements (Carroll 1979). However, Lantos (2001) warns that "laws have certain shortcomings to ensure responsible behaviour". In developing countries, the legal infrastructure is weak, people lack knowledge of the laws, and regulation lacks independence, resources, and administrative efficiency, according to Visser (2008, p491), citing tax avoidance by companies as the most significant example. Again public sector organisations have to operate within the statutory instruments that enacted them.

- *Ethical responsibility*

Ethical responsibility is expected of all organisations by society. Carroll (1979) mentions that society has expectations of business over and above legal requirements. Similarly, Lantos (2001) defines ethical responsibilities as beyond the limitations of legal duties. These are good social activities which should be done by the corporations. Lantos concludes that ethical responsibility is the mandatory minimal level of social responsibility which an

organisation owes its constituencies. However, Visser (2008) has found that ethical responsibility has a much higher priority in Europe than in the United State, and that in developing countries, ethics seems to have the least influence on the CSR agenda.

- *Discretionary responsibility*

Discretionary responsibilities are voluntary activities such as making philanthropic contribution. Carroll (1979) mentions this is not a compulsory activity. Organisations undertake this responsibility according to their philosophy. Lantos (2001) describes this is as altruistic responsibility. Most organisations carry out these activities for future benefits. Donations are the most popular philanthropic activity by organisations. In developing countries, CSR is most commonly associated with philanthropic or charity activities. This includes corporate social investment in education, health, sports development, environment, and other community services (Visser 2008, p.493). Visser concluded that the philanthropic dimension is second highest in developing countries because of following reasons. Firstly, the socio-economic needs of the developing countries in which companies operate are so great that philanthropy is an expected norm; it is considered the right thing to do by business. Secondly, companies think that they cannot achieve something in societies that fail, and philanthropy is seen as the most direct way to develop the prospects of the communities in which their businesses operate. Thirdly, many developing countries have become reliant on foreign aid or donor assistance. Hence, there is often an ingrained culture of philanthropy. A final reason for developing countries' prioritization of philanthropy is that they are generally still at an early stage of maturity in CSR, sometimes even equating CSR and Philanthropy, rather than embracing the more embedded approaches now common in developed countries. According to Lantos (2001) this responsibility is not for the benefit of for profit organisations and does not yield direct benefits for the company.

2.3 Cost and benefit of CSR

However, adopting CSR can result in several advantages, as many organisations have found (Business Link n.d.). Lantos (2001) concludes that CSR can be rewarding for both stakeholders and the corporation, however the costs can deter some organisations from adopting CSR. Numerous studies (Waddock and Graves, 1977); (McWilliams and Siegel 2000);(McGuire 1988); (Aupperle et al.1986) have attempted to describe the relationship between CSR and company performance, using various methodologies. Aupperle et al. (1986) concluded, by using a forced-choice methodology that there is no relationship between social responsibility and profitability. Their study was based on Carroll's (1979) corporate social responsibility constructs. McGuire et al. (1988) showed in their study that a firm's prior performance is more closely related to CSR than is subsequent performance. They used two sets of ratings of CSR of Fortune Magazine for their analysis.

Using econometric studies to explore the relationship between CSR and financial performance, McWilliams and Siegel (2000) found that CSR had a neutral impact on financial performance. However, Waddock and Graves (1977) found a positive relationship between corporate social performance and financial performance. They measured CSR using an index based on eight corporate social performance attributes rated such as employee relations, product, community relations, environment, treatment of women and minorities, nuclear power, military contracts, and South Africa.

Other researchers have also identified benefits from CSR, based both on formal studies and the benefits actually published by organisations and researchers (Business link n.d.). Benefits are categorised according to stakeholder expectations and the firm's objectives.

Financial performance

- Improved financial performance
- Reduced exposure to non-financial risk

- Reduce costs through lower staff turnover
- Reduce costs through environmental best practice

Customer Satisfaction

- Increased sales and customer loyalty
- Identified new products and new markets
- Enhanced brand image and reputation

Employee satisfaction

- Improve recruitment and retention performance
- Increase staff motivation, contribution and skills

Other Stakeholder Relations

- Improve government relations
- Reduce regulatory intervention
- Create of new business networks
- Improve trust in the company and its managers
- Improved environmental performance

As an example, employee benefits from CSR can be realised not just through financial criteria but also through ethical and social responsibility criteria (Lantos 2001, p.43). Intangible assets, such as corporation image, reputation, goodwill and brand were found to increase part of a corporations' value after the launching of CSR. A good reputation makes it easier to attract and retain talented employees, thereby reducing cost of both recruitment and training. Having experienced motivated staff also contributes to customer satisfaction and sales. Customers also like to buy environmental friendly products. Becchetti et al. (2008) explored the performance of companies in the Domini Social Index and found that, while social responsibility led to higher cost of labour and of intermediate output, it could also enhance

involvement, motivation and identification of the workforce with company goals, resulting in positive effects on productivity. Stakeholder loyalty may also be increased as communities support organisations which seek to be helpful to the society. Furthermore, governments may support socially responsible organisations by reducing tariffs, rules and regulations.

2.4 What are social responsibilities in practice?

Both Becchetti (2008) and Moir (2001) identify similar areas where social responsibility can be seen in practice:

Becchetti (2008)	Moir (2001)
Community	Community
Corporate governance	Ethics
Employee relations	Workplace
Environment	Environment
Product Quality	Market place (suppliers and customers)
Human rights	Human rights
Diversity	
Controversial business issues	

Table 3: CSR activities identified by Becchetti (2008) and Moir (2001)

As can be seen from Table 3, both authors identify six similar elements. These elements are reflected in the three main theories of corporate social responsibility: stakeholder theories, social demandingness theory and social activist theory (Lantos 2001; Waldman 2006; Dar 2004; Visser 2007). Stakeholder theory examines the responsibility of organisations and their executives. Social demandingness theory looks at the expectations which society has in relation to organisations, while social activist theory relates organisation's activities to external / universal standards of responsible corporate conduct.

The expectations of the main stakeholders of relating to the elements cited can be identified as its main social responsibilities to the community, product quality, employee relations, and environment. The elements common to both authors will be compared with the responses to the survey in Table 4.

2.5 University Role

This study aims to understand university responsibilities to society. Premus et al. (2003) highlighted the dual role of public universities in the nation's innovation system. Firstly, they enhance stocks of knowledge and human capital through research and teaching. Secondly, universities stimulate regional economic growth.

This study focuses on the topics of workplace (employees), environment, product or service, community relations through charity and donations, areas identified as relevant for social responsibility by Becchetti (2008) and Moir (2001).

3. Methodology

This paper compares the current social activities of public sector universities in Sri Lanka with previous research on CSR practices in developed and developing countries. The practices considered in the study represent the practices of Sri Lankan universities in the field of employees, environment, product, community relations and charity and donations in the last two years. Data was collected through primary and secondary sources including web sites, electronic press archives and investigation reports. Face to face interview and related documents were used to understand current practices.

Of the fifteen national universities of Sri Lanka, five were selected for the purpose of this study, on the basis of personal contact and their willingness to participate. Interviewees included financial managers, department heads and lecturers to understand their social activities. Communities and directly

engaged stakeholders were also identified by reporting their comments on whether their objectives were satisfied by the activities of the university. Communities and directly engaged stakeholders were asked whether their objectives were satisfied by each of the university's social activities using questionnaires. Each university department had collected comments from stakeholders who directly participated in each social activity. These comments have been used for this study, to identify stakeholder satisfaction. An example is the seminars for Advanced Level students. In these events, the stakeholder group is the students. After each seminar, the organisers gave a questionnaire to the participants regarding their experience and suggestions for future. Some departments had analysed those comments which were then used to identify stakeholder satisfaction. Another example is the health camps in the religious festival season (Poson Festival at Mihintale) organised by two departments. Environmental activities were explored by talking to lecturers of selected universities. In developing countries, universities are not major polluters and in fact through their scientific research can contribute to improving the environment.

Five senior assistant bursars, twenty department's heads, and twenty lecturers were interviewed. Four departments were selected from each university. Department heads and lecturers gave similar answers and are reported together in Table 3. Communities and directly engaged stakeholders were also asked whether their objectives were satisfied by each activity undertaken by the university. Each department had collected comments from each stakeholder who directly participated in that social activity. These comments were used in this study, to assess stakeholder satisfaction.

4. Social Responsibility activities undertaken by Sri Lankan universities

Table 4 summarises the activities undertaken by the five Sri Lankan universities participating in this study. Levels of Social Responsibility activities reported by heads of department and lecturers primarily related to academic

services, such as training and exam setting for teachers and school students, seminars for business people, and collaboration with professional institutions. Levels of activity vary in different departments. Some departments do many social activities, together with the students and the government. Levels also vary at different times. For example, after the 2004 Tsunami in Sri Lanka, university lecturers and student did more activities, as was noted by Fernando (2007).

Heads and lecturers stated that they would like to offer community services but the major problem is money. Money is not granted for those activities, in their view. Some lecturers explained that, even though they would like to undertake such activities, they are unable to do so, due to the lack of transport and other facilities. Some explained that they can use IRQUE money for social activities. IRQUE is a World Bank project which grants money for degree programmes on a competitive basis. The theme of this project is "Improving Relevance and Quality Undergraduate Education (IRQUE)". Under the IRQUE project, all universities are encouraged to ensure quality and relevance to all their undergraduate courses. This new tertiary education system also aims to instil positive social values in undergraduates by financing programs that define a range of relevant activities with regard to this aspect. The aim of the IRQUE project is to provide undergraduates with a complete and balanced tertiary education, which will mould them into responsible, educated citizens of their country (IRQUE, home page).

Questions	Senior Assistant Bursars		Heads of Schools/Lecturers	
	Yes	No	Yes	No
1. Are there any activities other than academic in university?	5	0	40	0
2. Have you allocated money for social activities in university budget?	5	0	0	40
3. What type of activities do you include in social activities?				
1.	5	0	05	35
Students welfare	5	0	10	30
2. Employees welfare	0	5	33	07
3. Community welfare	0	5	40	00
4. Donations/ Charity				
4. What type of Social Activities have you been doing recently?	N/A	N/A	26	14
Seminars for A-level school students			29	11
School festival / commerce day			25	15
Seminars to update school teachers' knowledge			25	15
Community services: health camps, seminars for business persons}			12	28
Collaboration with professional education institutions	0	5		40
Annual Trips with family	3	2	0	40
Day care centre	5	0		40
Gymnasium				
5. Do you think that you contribute to social responsibility activities at present?	5	0	32	08

Table 4: Responses from Senior Assistant Bursars, Heads of Departments and Lecturers

Interestingly, all Bursars said that money was allocated for social responsibility activities, specifically citing employee and student welfare. Lecturers and heads of department did not include employee and student welfare in their Social Responsibility activities. This difference in response highlights different understandings of what is regarded as Social Responsibility, even within the same institution.

5. Findings

The findings of the study will be reported in two stages. Firstly we will review the understanding of Social Responsibility in Sri Lankan Universities. Secondly we will summarise the Social Responsibility activities undertaken by Sri Lankan universities at the present time. We will relate responses to research carried out by previous researchers.

5.1 Understanding of Social Responsibility in Sri Lankan universities

The Sri Lankan universities are public sector universities. University use public money, therefore it cannot be used for donations and welfare activities. Due to the current economic crisis, the government has limited spending to essential activities such as capital assets development and fringe benefits. However, the University Act clearly indicates that social activities are essential part of the role of Sri Lankan universities. The activities mentioned by respondents will now be compared with each of the areas identified by Moir (2001) and Becchetti (2008), based both on the interview responses and published data available at the time.

5.2 Employee Relations/Workplace

Universities have many activities aimed at developing employee morale and encourage people to fulfil their duties. Academics as well as non-academics are given many services to accomplish the university objectives. An annual budget is allocated for their welfare facilities, fulfilling both philanthropic and ethical responsibility, throughout the year. Philanthropic responsibility is

highlighted in Carroll's (1979) CSR pyramid and Visser's (2008) developing countries CSR pyramid.

Some considerable funds are allocated in Sri Lankan universities for the welfare facilities for employees and their families. Examples given by Sri Lankan universities included day care centres, Montessori schools, annual family trips and transport for the employees of university (not for local communities). According to Carroll's (1979) social responsibility pyramid, this can be regarded as discretionary. The Senior Assistant Bursars identified employee welfare activities as social activities, however the department heads and lecturers did not agree, as can be seen in Table 4.

5.3 Products/ Marketplace

A university is a not for profit organisation. Its main objective is higher education, which is also a social responsibility factor. In return for discharging this responsibility, the government grants money annually, via the ministry of higher education and University Grant Commission of Sri Lanka. Some of the activities identified by Sri Lankan academics could be regarded as revenue-generating services, rather than social responsibility, for example, offering consultancy services for business people, working as part time lecturers for professional institutions, private colleges etc.

5.4 Environment

Under this category, organisations are expected to minimise their impact on the environment. This can be seen clearly in the case of industrial organisations because their processes and often their products cause pollution and other harmful environmental effects. What is the responsibility of university in regard to this factor? Universities generate, store and disseminate knowledge. Gunasekera (2004, p. 5) recognised universities as providers of basic scientific knowledge for industrial innovation through research and related activities, where "industrial" connoted the agricultural and manufacturing sectors. Sri Lankan universities provide research funds and scholarships to encourage research to help reduce the negative impact of

industry on the environment. Universities can also manage their own impact (and reduce their costs) by reducing, re-using and recycling paper, plastic and metals, reducing their use of energy and water, and planting trees in order to enhance the environment and help absorb carbon. According to the Carroll's (1979) and Visser (2008) this is discretionary responsibility.

5.5 Community Relations

Diverse stakeholders such as school teachers, students, business communities and professional institutions expect major contributions from the universities. Such stakeholders' expectations are generally delivered by university academics. For example, Advanced Level examination papers are set by university lecturers. Such community services activities can be regarded as social responsibility activities.

Lecturers and students also provide some services to the general community and the main stakeholders. Lecturers often provide seminars free of charge, for example for school teachers, school students and business people. Participants were interviewed and all were satisfied with their experience. Another example is the health camp organised in the religious festival season (Poson Festival at Mihintale), where attendees were interviewed about their experience and again were satisfied with the service offered. These activities relate to Carroll's (1979) discretionary and Visser's (2008) philanthropic responsibilities. Visser (2008) concluded that developing countries mainly associated social responsibility with philanthropy or charity services. This view was confirmed by the academics in this study. In general, all three major groups of stakeholders, students, teachers and communities expressed satisfaction with the CSR activities offered by the universities, commenting favourably on the importance of the events and the quality of the service provided.

6. Conclusion

This study raises important questions for the future development of university activities. In the past, the concept of social responsibility has been formulated and implemented only for profit organisations and not universities. Although the concept of CSR itself is relatively new in Asian countries, Sri Lankan universities have developed and implemented some aspects of social responsibility, particularly complying with their economic obligations and engaging in philanthropy, supporting Visser's (2008) model of CSR in developing countries as shown in Fig. 2.

The University Act [S29(I), 7 of 1985] mentions the importance of social activities, but the study indicates some limitations of implementing those activities, although the Act was passed over twenty years ago. The principal limiting factors are money and understanding of the university's responsibility in using the money allocated by the Government.

Universities implement social responsibilities through their main activities of education and research, which help other organisations to implement their social responsibilities to their stakeholders. The knowledge of academic staff should be brought to the different stakeholders living in various places throughout the country. Some universities already do this very successfully by using dedicated project money, rather than general University funding from the Government.

However, the understanding of social responsibility varies, even within the same university. It would be beneficial for Sri Lankan universities to agree a common definition of, and approach to, social responsibility. This study has limitations, having considered only five of the fifteen national universities in Sri Lanka. However, as all Sri Lankan universities have common objectives and are governed by the same rules and regulations, this sample is regarded as representative. However, future research could extend the survey to more

universities, more departments within universities, and include other stakeholders. Future research could also explore the limitations of social responsibility of universities, identify the barriers for implementing social responsibility in Sri Lankan universities and means to overcome them, and compare the implementation of social responsibility in Sri Lankan universities with universities in other countries. The authors would like to thank all participants in this study for their generous sharing of their time and knowledge.

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